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TAGS: [ELAB](#) [ETRD](#) [PGOV](#) [CO](#)
SUBJECT: RECENT LABOR DEVELOPMENTS

SUMMARY

1. The GOC announced a 6.29 minimum wage increase on December 27, from 192 USD (408,000 pesos) to 205 USD (433,700 pesos). On the same day, President Uribe issued a decree aimed at limiting the use of workers' cooperatives as a form of labor contracting and vowed to combat those temporary contracts used to undermine permanent employment. The Constitutional Court also issued a ruling strengthening a workplace harassment law passed in January 2006. Trade unionist homicides increased in 2006, but the GOC's Protection Program continues to provide protection measures for over 1,200 trade unionists. In addition, the GOC recently dedicated almost 100 prosecutory and investigative personnel to cases involving violence against trade unionists. End Summary.

GOC INCREASES MINIMUM WAGE BY 6.29 PERCENT

2. On December 27, the GOC announced a 6.29 percent minimum wage increase, from 192 USD (408,000 pesos) to 205 USD (433,700 pesos). The GOC also raised the transportation subsidy 6.5 percent from 22 USD (47,000 pesos) to 24 USD (50,800 pesos), for a total minimum wage package increase of 6.32 percent. The increase will affect approximately 4.5 million Colombian workers. The GOC, employer associations, and the presidents of the trade confederations normally negotiate the minimum wage annually through the tripartite Commission of Settlement for Labor Policy and Wages (CNC), but the GOC set the minimum wage by decree after talks broke down on December 18. The Central Bank expects inflation to be around 4 percent in 2007. In addition to wages, the minimum wage is important because it affects pensions and fines for workplace violations.

GOC ISSUES DECREE TO REIGN IN WORKER'S COOPERATIVES

3. In a move aimed at strengthening workers rights, the GOC issued a decree on December 27 to limit the use of workers' cooperatives as a form of labor contracting. A 1998 law created workers' cooperatives with the goal of encouraging entrepreneurship by stimulating the association of people collectively offering goods or services through pooled resources. However, many employers were accused of abusing the system to the point that even legitimate cooperatives were given a bad reputation. The decree explicitly prohibits the use of cooperatives as labor subcontractors by stating that its members must act as their own managers, make economic contributions to the organization, and have ownership over the means of production. The decree also raised the maximum fine for illegal cooperatives from 8,000

USD (20 million pesos) to 47,000 USD (100 million pesos) and limits their legal operating status to that of nonprofit.

URIBE ANNOUNCES "WAR" AGAINST BAD FAITH TEMPORARY CONTRACTS

¶4. On December 27, President Uribe announced a "full-scale war" against "fictitious" temporary labor contracts, explaining that one of his priorities in 2007 will be to combat the use of temporary contracts to undermine permanent employment. "We need to admit that there are circumstances when temporary contracts are necessary, such as seasonal work and extraordinary situations, but we need to eliminate temporary employment when it is used to substitute for permanent employment," he explained. Uribe also ordered the Ministry of Social Protection (MSP) to assume responsibility for developing a policy against bad faith temporary contracts. Temporary workers receive fewer benefits and protections than permanent workers.

CONSTITUTIONAL COURT STRENGTHENS WORKPLACE HARASSMENT LAW

¶5. The Constitutional Court ruled that neither family relationships nor bonds of affection constituted extenuating circumstances with regard to workplace harassment, reversing a provision set forth in Law 1010, signed in January 2006. The Court also said violators of the law could be punished with incarceration. The law originally identified various forms of workplace harassment and set sanctions for violations, but had established family relationships and/or bonds of affection between the harasser and the harassed as factors that could reduce punishment. In eliminating family ties and bonds of affection as extenuating factors, the Court explained, "It is not possible to separate the right to work from the right to human dignity." The Court, responding to an Inspector General-supported petition to modify Law 1010, went one step further and ruled that "aggravated" workplace harassment was subject to Colombian penal code, violations of which are punishable with up to two years in prison.

MORE TRADE UNIONIST HOMICIDES IN 2006

¶6. In spite of an increase in homicides in 2006, the GOC continues to demonstrate a commitment to combat violence against trade unionists and investigate crimes against them. The MSP reports 25 trade unionist homicides in 2006, up from 14 in 2005, and 33 killings of unionized teachers, an increase from 26 in 2005. Of these 58 total killings of unionized workers, the MSP reports that 11 involved individuals in leadership positions.

¶7. The GOC's Protection Program provides protective measures to over 1,200 trade unionists. In addition, in October 2006, the GOC implemented a 1.5 million USD program dedicating almost 100 investigative and prosecutory personnel to approximately 150 cases of violence against trade unionists. These personnel are divided into 13 specialized teams consisting of one prosecutor, three Investigative Body (CTI) investigators, and three national police officers. The cases to be investigated were selected by the three trade confederations.

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